



089285

UNITED STATES GENERAL ACCOUNTING OFFICE
REGIONAL OFFICE

143 FEDERAL OFFICE BUILDING, 50 FULTON STREET
SAN FRANCISCO, CALIFORNIA 94102

GAO 00-365

IN REPLY REFER TO:
30005

NOV 23 1970



LM089285

Mr. E. C. Shute, Manager
San Francisco Operations Office
Atomic Energy Commission
2111 Bancroft Way
Berkeley, California 94704

AG C 00743

Dear Mr. Shute:

We have completed our audit for the settlement of accounts of accountable officers at the San Francisco Operations Office. This examination was made in accordance with the Budget and Accounting Act of 1921 (31 U.S.C. 53) and the Accounting and Auditing Act of 1950 (31 U.S.C. 65(d) and 67(a)). We also invite your attention to letter number B-161457, dated August 1, 1969, from the Comptroller General of the United States to the Heads of Federal Departments and Agencies. This letter notified agencies of revised audit emphasis by GAO and reemphasized to the heads of each agency or department their responsibility (1) to maintain adequate accounting and internal controls, including internal auditing, to provide assurance of the legality, propriety, and correctness of disbursements and collections of public funds, and (2) for the functions of their accountable officers.

Our audit included a review of accounting procedures and related internal controls over the accounting for receipts and disbursements as related to the responsibilities of the certifying officers. Compliance with procedures was determined by making such tests of disbursements and collections of public funds as were considered necessary for various types of transactions.

During our audit we noted the following items which we believe are within your area of responsibility for corrective action: (1) failure to charge individuals with leave taken while in travel status, (2) failure of a timekeeper to comply with SAN instructions to record time and attendance on a daily basis, and (3) failure to analyze apparent erroneous balances in subaccounts in the general ledger, which resulted in an understatement of \$99,633 in costs for fiscal year 1970.

9/14/635

089285


Mr. E. C. Shute

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These matters were discussed in detail with Mr. Vergari and other personnel in your Finance Department. At the completion of our review, corrective action had been taken or was in process.

We wish to thank you for the cooperation of your staff during our audit. If you have any questions regarding this review, please contact us.

Sincerely yours,



A. M. Clavelli
Regional Manager



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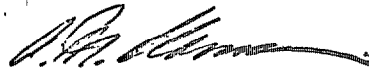
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A. M. Clavelli
Regional Manager